

**MINUTES OF THE
TRANSPORTATION, ENVIRONMENTAL QUALITY, NATIONAL GUARD
& VETERANS' AFFAIRS
APPROPRIATIONS SUBCOMMITTEE
Room 25, House Office Building, State Capitol Complex**

Thursday, February 11, 2010

MEMBERS PRESENT: Sen. Kevin T. Van Tassell, Co-Chair
Rep. Wayne Harper, Co-Chair
Sen. Peter C. Knudson
Sen. Mark B. Madsen
Sen. Luz Robles
Rep. Rebecca P. Edwards
Rep. Neil Hansen
Rep. Neal B. Hendrickson
Rep. Don L. Ipson
Rep. Patrick Painter
Rep. F. Jay Seegmiller
Rep. Kenneth Sumsion
Rep. Carl Wimmer

MEMBERS ABSENT: Sen. Scott K. Jenkins

STAFF PRESENT: Mark C. Bleazard, Fiscal Analyst
Rosemary Young, Committee Secretary

Note: A list of visitors and copy of handouts are filed with committee minutes.

Rep. Harper called the meeting to order at 2:29 p.m.

MOTION: Rep. Hendrickson moved to approve the minutes of the Feb. 4, 2010 meeting. The motion passed unanimously with Sen. Knudson, Rep. Edwards, and Rep. Hansen absent for the vote.

Fiscal Note Bills

Rep. Harper reported that he is sponsoring a bill which would create a \$106,000,000 bond toward the construction of projects on 5400 South, 2300 South, Bangerter Highway, North Temple, 9400 South, I-215 (east side), State Street, and I-215 (west side). The bond would be issued by Salt Lake County and guaranteed by revenue streams from the Salt Lake County Transportation Funds in a restricted account. The list of projects was compiled by consulting with UDOT and Wasatch Front Regional Council.

Rep. Menlove, assisted by Amanda Smith, Executive Director DEQ, discussed H.B. 331 Waste

Fee Amendments, which she described as a transition bill in a two-year process. The purpose of the bill is to address the problems in the Environmental Quality Restricted Account by proposing a progressive fee schedule for solid and hazardous waste disposal. Energy Solutions wants a flat fee for radioactive waste disposal. The bill is still being drafted, but there is basic agreement among the stakeholders.

Mark Bleazard, Fiscal Analyst, discussed the Motor Carrier bill from last year which adjusted the fees paid for overweight and oversize. It was anticipated that there would be an increase of \$1,500,000 to the account. Up to January they are only collecting an average of \$1,121 per month more with the bill in place. It is recommended to follow this for the rest of the year to see what results are shown. It is supposed that the trucking companies are being more careful and that trucking traffic is down.

Department of Transportation

The Analyst reviewed the UDOT budget. Carlos Braceras, Deputy Director, UDOT, responded to questions as to how the new variable priced toll fee for express lanes will affect revenues and costs to users. There is an approximately \$15,000,000 cost to get the infrastructure in place for the new variable priced toll. It is anticipated that this will result in better utilization of the express lanes. Doing away with the controlled access to the express lanes would make enforcement very difficult.

MOTION: Rep. Hendrickson moved to approve:

1. The Department of Transportation base budget for FY 2011 at \$927,655,700
2. FY 2010 Supplemental FTE Transfers/Budget Cut Adjustments as shown in Appendix A
3. FY 2011 FTE Transfers/Budget Cuts Adjustments as shown in Appendix B
4. The fee schedule as shown in Appendix C
5. The following intent language:

Construction Management

There is appropriated to the Department of Transportation from the Transportation Fund, not otherwise appropriated, a sum sufficient, but not more than the surplus of the Transportation Fund, to be used by the Department for the construction, rehabilitation and preservation of State highways in Utah. It is the intent of the Legislature that the appropriation fund first, a maximum participation with the federal government for the construction of federally designated highways, as provided by law, and last, the construction of State highways, as funding permits.

Maintenance/Operations Management

It is the intent of the Legislature that any and all collections or cash income from the sale or salvage of land and buildings are to be lapsed to the Transportation Fund.

There is appropriated to the Department of Transportation from the Transportation Fund, not otherwise appropriated, a sum sufficient, but not more than the surplus of the Transportation Fund, to be used by the Department for the construction, rehabilitation, and preservation of State highways in Utah. It is the intent of the Legislature that the appropriation fund first, a maximum participation with the federal government for the construction of federally designated highways, as provided by law, and last the construction of State highways, as funding permits. It is also the intent of the Legislature that the FTEs for field crews may be adjusted to accommodate the increase or decrease in the Federal Construction Program. No portion of the money appropriated by this item shall be used either directly or indirectly to enhance or increase the appropriations otherwise made by this act to the Department of Transportation for other purposes.

Mineral Lease

It is the intent of the Legislature that the funds appropriated from the Federal Mineral Lease Account shall be used for improvement or reconstruction of highways that have been heavily impacted by energy development.

It is the intent of the Legislature that if private industries engaged in developing the State's natural resources are willing to participate in the cost of the construction of highways leading to their facilities, that local governments consider that highway as a higher priority as they prioritize the use of Mineral Lease Funds received through 59-21-1(4)(c)(i). The funds appropriated for improvement or reconstruction of energy impacted highways are non-lapsing.

Sidewalk Construction

It is the intent of the Legislature that the funds appropriated from the Transportation Fund for pedestrian safety projects be used specifically to correct pedestrian hazards on State highways.

It is also the intent of the Legislature that local authorities be encouraged to participate in the construction of pedestrian safety devices. The appropriated funds are to be used according to the criteria set forth in Section 72-8-104, Utah code Annotated, 1953. The funds appropriated for sidewalk construction shall not

lapse. If local governments cannot use their allocation of Sidewalk Safety Funds in two years, these funds will be available for other governmental entities which are prepared to use the resources. It is the intent of the Legislature that local participation in the Sidewalk Construction Program be on a 75% state and 25% local match basis.

Supplemental Intent FY 2010

Under terms of Section 63J-1-603-(3)(a) Utah Code Annotated, Item 224 of Chapter 396 Laws of Utah 2009 is made non-lapsing with the use of any non-lapsing funds limited to the following: Software Development - \$400,000.

Under terms of Section 63J-1-603-(3)(a) Utah Code Annotated, Item 225 of Chapter 396 Laws of Utah 2009 is made non-lapsing with the use of any non-lapsing funds limited to the following: Special Projects/Studies - \$200,000.

Under terms of Section 63J-1-603-(3)(a) Utah Code Annotated, Item 226 of Chapter 396 Laws of Utah 2009 is made non-lapsing with the use of any non-lapsing funds limited to the following: Highway Maintenance - \$1,300,000; Environmental Cleanup - \$200,000; Land - \$500,000.

Under terms of Section 63J-1-603-(3)(a) Utah Code Annotated, Item 228 of Chapter 396 Laws of Utah 2009 is made non-lapsing with the use of any non-lapsing funds limited to the following: Computer Hardware - \$100,000 and Building Improvements - \$100,000.

Under terms of Section 63J-1-603-(3)(a) Utah Code Annotated, Item 229 of Chapter 396 Laws of Utah 2009 is made non-lapsing with the use of any non-lapsing funds limited to the following: Equipment/Supplies - \$200,000.

Under terms of Section 63J-1-603-(3)(a) Utah Code Annotated, Item 226 of Chapter 396 Laws of Utah 2009 is made non-lapsing with the use of any non-lapsing funds limited to the following: Avalanche Control Equipment - \$150,000.

The motion passed unanimously with Rep. Edwards and Rep. Hansen absent for the vote.

MOTION: Rep. Hendrickson moved to approve:

1. The **Veterans' Affairs** Base Budget for FY 2011 at \$1,207,500
2. The following Federal Funds Request for FY 2011:

Ogden Veterans' Nursing Home	\$2,572,611
Salt Lake Veterans' Nursing Home	2,005,500
State Approving Agency	<u>178,800</u>
	\$4,756,911

3. The following fee schedule:

	Current Rate	Proposed Rate	#Units
200 Veterans' Burial Fee	300.00	300.00	
45 Spouse/Dependent Burial Fee	400.00	400.00	
2 Saturday Burial Fee	500.00	500.00	
20 Lawn Vases	60.00	60.00	
Unknown Disinterment Single Depth	600.00	600.00	
Disinterment Double Depth	900.00	900.00	Unknown
Chapel Rental	100.00	100.00	30

4 The following intent language:

Under terms of Section 63J-1-603-(3)(a) Utah Code Annotated, item 220 of Chapter 396 Laws of Utah 2009 is made non-lapsing with the use of any non-lapsing funds limited to the following: Veterans' Outreach \$130,000; Veterans' Cemetery \$20,000; and Veterans' Nursing Homes \$15,000.

The motion passed unanimously with Rep. Edwards and Rep. Hansen absent for the vote.

MOTION: Rep. Hendrickson moved to approve:

1. The **National Guard** Base Budget for FY 2011 at \$35,051,800
2. The following fee schedule for FY 2011:

	Current Rate	Proposed Rate	#Units
Small Commercial/Business			
Armory Rental 4 hr or less/hr	25.00	25.00	497
Armory Rental >4hr = day	500.00	500.00	unknown
Security Attendant per hr	15.00	15.00	unknown
Refundable Cleaning Deposit	100.00	100.00	
unknown			

Industrial		
Armory Rental 4 hr or less/hr	100.00	100.00
497		
Armory Rental >4hr = day	1000.00	1000.00
unknown		
Security Attendant per hr	15.00	15.00
unknown		
Refundable Cleaning Deposit	100.00	100.00
unknown		

3. The following intent language:

Under terms of Section 63J-1-603-(3)(a) Utah Code Annotated, item 219 of Chapter 396 Laws of Utah 2009 is made non-lapsing with the use of any non-lapsing funds limited to the following: National Guard Tuition Assistance \$25,000 and Armory Maintenance \$50,000.

All General Funds appropriated to the Utah National Guard - Armory Maintenance are contingent upon expenditures from Federal Funds - American Recovery and Reinvestment Act (H.R. 1, 111th United States Congress) not exceeding amounts appropriated from Federal Funds - American Recovery and Reinvestment Act in all appropriation bills passed for FY 2010. If expenditures in the Utah National Guard - Armory Maintenance from Federal Funds - American Recovery and Reinvestment Act exceed amounts appropriated to the Utah National Guard - Armory Maintenance from Federal Funds - American Recovery and Reinvestment Act in FY 2010, the Division of Finance shall reduce the General Fund allocations to the Utah National Guard - Armory Maintenance by one dollar for every one dollar in Federal Funds - American Recovery and Reinvestment Act expenditures that exceed Federal Funds - American Recovery and Reinvestment Act appropriations.

Increase ARRA appropriation by \$213,000.

SUBSTITUTE MOTION: Sen. Madsen moved to have the committee put as its first priority the additional funding of \$527,000 on-going General Fund or one-time General Fund to fully fund the tuition assistance at the \$1,000,000 the National Guard requests and also to pass the base budget as moved by Rep. Hendrickson. It was requested that the motion be divided. The vote on the motion to approve the budget including fees and intent language passed unanimously with Rep. Edwards and Rep. Painter absent for the vote. The motion to pass \$527,000 for tuition assistance as the top priority of the committee passed unanimously with

Rep. Edwards and Rep. Painter absent for the vote.

MOTION: Sen Van Tassell moved to approve:

1. The **Department of Environmental Quality** Base Budget for FY 2011 at \$96,504,600
2. The DEQ fees found in Appendix D
3. The DEQ Federal Funds FY 2011 found in Appendix E
3. The following intent language:

Under terms of Section 63J-1-603-(3)(a) Utah Code Annotated, item 221 of Chapter 366 Laws of Utah 2009 is made non-lapsing with the use of any non-lapsing funds limited to the following: Air Quality Operating Permit Program Fees \$100,000

Under terms of Section 63J-1-603-(3)(a) Utah Code Annotated, item 221 of Chapter 366 Laws of Utah 2009 is made non-lapsing with the use of any non-lapsing funds limited to the following: Water Quality Groundwater Permit Program Fees \$10,000.

Under terms of Section 63J-1-603-(3)(a) Utah Code Annotated, item 153 of Chapter 366 Laws of Utah 2006 is made non-lapsing with the use of any non-lapsing funds limited to the following: High level nuclear waste opposition \$132,800.

It is the intent of the legislature that \$350,000 of non-lapsing funds appropriated for the purpose of addressing high level nuclear waste be transferred to the Environmental Quality Restricted Account.

It is the intent of the legislature that up to \$185,900 of non-lapsing funds appropriated for the purpose of addressing air quality monitoring at animal feeding operations be transferred to the Environmental Quality Restricted Account.

The motion passed unanimously with Sen. Madsen, Rep. Edwards, Rep. Hendrickson, and Rep. Sumsion absent for the vote.

MOTION: Rep. Wimmer moved that the subcommittee support the issuing of bonds of \$106,000,000 as discussed above under Fiscal Note Bills. The motion passed unanimously with Sen. Madsen, Rep. Edwards, Rep. Hendrickson, and Rep. Sumsion absent for the vote.

MOTION: Rep. Painter moved that the subcommittee approve the following intent language:

It is the intent of the legislature that any net savings that might be realized

upon substantial completion of the I-15CORE project be used by the Department of Transportation to add highway capacity on I-15 south of the Spanish Fork Main Street interchange to Payson.

The motion passed with Sen. Knudson and Sen. Van Tassell voting in opposition and Rep. Edwards and Rep. Hendrickson absent for the vote.

The Analyst reviewed the proposed 5% across the board budget adjustments to the budgets of the entities whose budgets are recommended by this committee. Rep. Harper proposed an alternate list, and Sen. Van Tassell explained the possible use of S.B. 96 to decrease these budget adjustments.

MOTION: Sen. Van Tassell moved that the subcommittee support revenue that is generated by S.B. 96 be applied back to this committee to offset some of the necessary cuts. The motion passed unanimously with Rep. Edwards and Rep. Hendrickson absent for the vote.

MOTION: Rep. Wimmer moved to approve the following list to accomplish the 5% budget reductions:

Cuts		Revenue	
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1. Air Quality General Fund Cut, Back fill with			
Federal Grant (DEQ)	77,000	1 SB 96	185,800
2. Out of State Travel (DEQ)	206,400		
3. National Memberships (DEQ)	34,500		
4. IT Projects (DEQ)	98,000		
5. Reduce LHD Pass Through (DEQ)	29,900		
6. Consolidation of Response & Remediation &			
Solid Waste Directors (DEQ)	170,000		
7. New Construction (UDOT)	86,000		
8. Cemetery Maintenance (VET)	10,600		
9. Veterans' Nursing Homes (VET)	13,500		
10. Extend Computer Life (NG)	6,300		
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		Total	
		732,200	185,800
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918,000			

The motion passed with Rep. Seegmiller voting in opposition and Rep. Edwards and Rep. Hendrickson absent for the vote.

MOTION: Rep. Sumsion moved to oppose the issuance of any bond that uses Transportation Funds for one-time General Fund purposes to balance the State's budget. The motion passed with Sen. Knudson and Sen. Robles voting in opposition and Rep. Edwards and Rep. Hendrickson absent for the vote.

MOTION: Rep. Harper moved that the subcommittee approve the following intent language:

It is the intent of the Legislature that the Department of Environmental Quality do a complete review of the Division of Air Quality; including review of all division functions, staffing, programs, fees, and funding sources. The Department shall report back to the Subcommittee on Transportation, Environmental Quality, National Guard, and Veterans' Affairs prior to the 2011 General Session its findings and recommendations to identify what program, policy, fee, staffing and other changes are needed to improve service to stakeholders, better address and respond to Federal mandates, improve permit processing times and response, improve air quality, and other changes needed to maintain program primacy with requirements of the Federal Government.

The motion passed unanimously with Sen. Robles, Rep. Edwards, and Rep. Hendrickson absent for the vote.

MOTION: Rep. Hansen moved to adjourn. The motion passed unanimously with Sen. Robles, Rep. Edwards, and Rep. Hendrickson absent for the vote.

Rep. Harper adjourned the meeting at 3:44 p.m.

To view Appendix A, B, C, D, and E, go to the following address on the internet:
<http://www.le.utah.gov/interim/2010/pdf/00000520.pdf>

Rep. Wayne Harper, Co-Chair

Sen. Kevin T. Van Tassell, Co-Chair